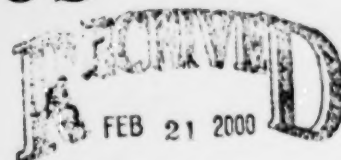
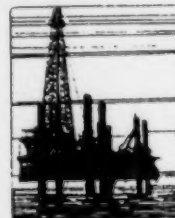
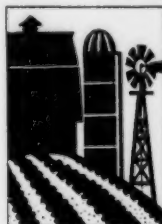


# Business Statistics

## 1998 Edition



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Department of Finance  
Fiscal & Economic Policy  
Statistics Division

## Nova Scotia Business Statistics, 1998 Edition

Data on the number of businesses, employment as well as new entrants and exiters is produced annually at the national and provincial level by the Small Business and Special Surveys Division of Statistics Canada. This release also incorporates self-employment data from the Statistics Canada's Labour Force Survey, number of businesses by county from Statistics Canada's Business Registry, and business bankruptcy data from Industry Canada's Superintendent of Bankruptcy.

There were 31,959 businesses in Nova Scotia in 1996, a decrease of 1.8 % from 1995 and an increase of 2.4% from 1989. The total payroll of \$8.9 billion was up 0.2% from 1995, and up 7.5% over the seven year period beginning in 1989. In 1996, there were 5,982 newly identified businesses along with 6,583 exiters, with most of the activity involving businesses with less than five employees. The turnover rate for small business tends to be much higher than that for larger size employers. Typically, one in five businesses with less than five employees go out of business each year and are replaced by others.

In 1996, small businesses (under 50 employees) in Nova Scotia employed 108,800 persons. This represented 33.1% of employees in all businesses in the province as compared to 35.9% at the national level. While employment in all businesses in Nova Scotia fell by 6.7% during the period 1989-1996, employment in small business increased by 1.8%. Within the province, the overall payroll per employee in 1996 was \$24,907 versus \$24,970 for mid-sized businesses with more than 50 but less than 500 employees and \$31,394 for businesses with 500 or more employees.

Businesses with less than five employees experienced growth in both the number of establishments and the total employment over the past seven years. The number of businesses rose 2.6% to 22,843 while employment rose to 32,700. All other groupings of business had a decrease in employment over the 1989-1996 period.

The total estimated employment in Nova Scotia in 1996 was 385,000. The difference between this number and the business employment of 328,900 is due to self-employed individuals and public sector employment. The graphic depicting the growth of self-employment shows that, with the exception of 1990 and 1992, growth in self-employment has outpaced that of paid employment through out the 1990s.

Although there were 343 bankruptcies reported in Nova Scotia in 1998 down 49% from the previous year, the value of these bankruptcies were up 213% from 1997. One industry, the financial and insurance, accounted for 81.5% of the value of bankruptcies in 1998 while the other 17 industries accounted for the remaining 18.5%.

- ◆ It should be noted that business size is determined at the national level rather than the provincial level in these statistics. If Ajax Co., has 555 employees in Canada, including 25 in Nova Scotia, then it is included in the 500+ employee size for both Canada and Nova Scotia.

## Nova Scotia

ALU - Average Labour Unit - calculated by dividing annual payroll by estimate of average annual earnings.

Source: Statistics Canada, Small Business and Special Surveys

# NOVA SCOTIA BUSINESSES BY SIZE AND TYPE - NUMBER AND EMPLOYMENT 1989 - 1996

## Total Business

### Larger Business (> 50 employees)

### Small Business (0 - 49.9 employees)

	Number		Employment ('000)		Number		Employment ('000)		Number		Employment ('000)	
	1989	1996	1989	1996	1989	1996	1989	1996	1989	1996	1989	1996
Agriculture and Related Services	1,406	1,309	2.9	3.1	9	11	x	0.2	1,415	1,320	3.2	3.4
Fishing and Trapping	1,382	1,432	x	x	1	1	x	x	1,383	1,433	1.5	1.5
Logging and Forestry	591	656	x	x	4	5	x	x	595	661	2.0	2.0
Mining, Quarrying and Oil Wells	55	56	0.3	0.4	32	31	5.6	x	87	87	6.0	3.7
Manufacturing Industries	1,249	1,324	8.9	8.5	547	525	36.9	31.1	1,796	1,849	45.7	39.5
Construction Industries	3,834	3,670	13.2	10.1	97	89	4.5	2.6	3,931	3,759	17.7	12.8
Transportation and Storage	1,027	1,063	3.1	3.8	95	96	7.7	6.7	1,122	1,159	10.8	10.5
Communication and Other Utilities	174	201	1.0	0.9	34	43	11.1	10.2	208	244	11.9	11.2
Wholesale Trade	1,486	1,696	7.9	8.2	425	442	8.3	6.3	1,911	2,138	16.3	14.5
Retail Trade	4,655	4,516	22.2	21.6	215	221	31.4	27.4	4,870	4,737	53.5	49.0
Finance and Insurance	455	446	1.9	1.5	129	129	10.4	10.1	584	575	12.3	11.6
Real Estate Operator and Insurance Agent	868	885	3.3	3.2	62	69	2.5	1.7	930	954	5.8	4.9
Business Services	1,534	2,147	6.2	6.8	173	209	6.3	7.7	1,707	2,356	12.5	14.4
Government Service	131	131	1.2	1.7	43	49	54.1	50.9	174	180	55.4	52.6
Educational Services	186	282	1.2	1.5	41	57	25.0	24.3	227	339	26.2	27.5
Health and Social Service	1,770	2,138	7.4	9.7	127	155	21.4	21.3	1,897	2,293	28.8	30.9
Accommodation, Food and Beverage Services	1,695	1,984	10.1	12.1	114	108	11.2	8.5	1,809	2,092	21.4	20.6
Other Service Industries	5,126	5,267	11.6	12.2	165	195	8.0	7.6	5,291	5,462	19.6	19.8
Unclassified	1,251	312	x	0.3	10	9	x	x	1,261	321	2.1	0.3
Total - All Industries	28,875	29,515	106.9	108.8	2,323	2,444	244.7	220.1	31,198	31,959	352.6	328.9

Source: Statistics Canada, Small Business and Special Surveys

# NOVA SCOTIA SECTORAL DISTRIBUTION OF BUSINESSES BY SIZE 1989 - 1996

All Sizes      Less than 50 Employees      Greater than 50 Employees

	Number of Businesses		Payroll(\$M)		Number of Businesses(%)		Payroll(%)		Number of Businesses(%)		Payroll(%)	
	1989	1996	1989	1996	1989	1996	1989	1996	1989	1996	1989	1996
Agriculture and Related Services	1,415	1,320	60	77	99.4	99.2	90.0	92.2	0.6	0.8	x	x
Fishing and Trapping	1,383	1,433	28	34	99.9	99.9	x	x	0.1	0.1	x	x
Logging and Forestry	595	661	46	56	99.3	99.2	x	x	0.7	0.8	x	x
Mining, Quarrying and Oil Wells	87	87	220	171	63.2	64.4	4.5	7.6	36.8	35.6	x	x
Manufacturing Industries	1,796	1,849	1,225	1,300	69.5	71.6	15.3	17.3	30.5	28.4	84.7	82.6
Construction Industries	3,931	3,931	513	403	97.5	93.4	66.1	73.0	2.5	2.3	33.9	27.3
Transportation and Storage	1,122	1,159	305	346	91.5	91.7	22.6	30.6	8.5	8.3	77.4	69.4
Communication and Other Utilities	208	244	395	405	83.7	82.4	4.3	5.4	16.3	17.6	95.7	94.3
Wholesale Trade	1,911	2,138	415	441	77.8	79.3	44.3	51.9	22.2	20.7	55.7	48.1
Retail Trade	4,870	4,737	749	805	95.6	95.3	45.4	47.6	4.4	4.7	54.5	52.4
Finance and Insurance	584	575	315	393	77.9	77.6	14.9	13.2	22.1	22.4	85.4	87.3
Real Estate Operator and Insurance Agent	930	954	136	140	93.3	92.8	55.9	67.1	6.7	7.2	44.9	32.9
Government Service	174	180	1,760	1,843	75.3	72.8	1.6	2.2	24.7	27.2	98.4	97.8
Business Services	1,707	2,356	279	386	89.9	91.1	50.2	52.1	10.1	8.9	49.8	47.9
Educational Services	227	339	780	833	81.9	83.2	2.6	3.5	18.1	16.8	97.6	96.6
Health and Social Service	1,897	2,293	554	731	93.3	93.2	19.7	26.1	6.7	6.8	80.1	74.0
Accommodation, Food and Beverage Services	1,809	2,092	243	246	93.7	94.8	46.9	58.5	6.3	4.9	53.5	41.9
Other Service Industries	5,291	5,462	265	338	96.9	96.4	67.2	66.6	3.1	3.6	32.8	33.4
Unclassified	1,261	321	45	6	99.2	97.2	x	x	0.8	2.8	x	x
Total - All Industries	31,198	31,959	8,331	8,957	92.6	92.4	24.0	26.9	7.4	7.6	76.0	73.1

Source: Statistics Canada, Small Business and Special Surveys

# NOVA SCOTIA BUSINESSES ENTERERS AND EXITERS BY EMPLOYMENT SIZE 1989 - 1996

Employment Size	Start - Ups				Exits				Net			
	5 - 100		100+		5 - 100		100+		5 - 100		100+	
	Under 5	Total	Under 5	Total	Under 5	Total	Under 5	Total	Under 5	Total	Under 5	Total
Agriculture and Related Services	563	607	39	5	664	702	36	2	(101)	3	3	(95)
Fishing and Trapping	768	793	25	-	723	743	19	1	45	6	(1)	50
Logging and Forestry	338	363	24	1	281	297	14	2	57	10	(1)	66
Mining, Quarrying and Oil Wells	16	44	20	8	16	44	16	12	0	4	(4)	0
Manufacturing Industries	507	871	223	141	433	818	233	152	74	(10)	(11)	53
Construction Industries	1,800	2,032	215	17	1,858	2,204	323	23	(58)	(108)	(6)	(172)
Transportation and Storage	543	666	91	32	513	629	91	25	30	0	7	37
Communication and Other Utilities	99	147	29	19	81	111	19	11	18	10	8	36
Wholesale Trade	651	1,043	290	102	458	816	277	81	193	13	21	227
Retail Trade	2,026	2,567	475	66	2,093	2,700	536	71	(67)	(61)	(5)	(133)
Finance and Insurance	189	267	44	34	172	276	73	31	17	(29)	3	(9)
Real Estate Operator and Insurance Agent	371	451	60	20	343	427	68	16	28	(8)	4	24
Business Services	1,181	1,507	241	85	611	858	195	52	570	46	33	649
Government Service	40	88	29	19	54	82	14	14	(14)	15	5	6
Educational Services	140	187	32	15	54	75	16	5	86	16	10	112
Health and Social Service	858	1,078	188	32	575	682	93	14	283	95	18	396
Accommodation, Food and Beverage Services	914	1,317	378	25	714	1,034	293	27	200	85	(2)	283
Other Service Industries	2,797	3,104	258	49	2,671	2,933	233	29	126	(25)	20	171
Unclassified	268	291	17	6	1,168	1,231	58	5	(900)	(41)	1	(940)
Total - All Industries	14,069	17,423	2,678	676	13,482	16,662	2,607	573	587	71	103	761

Source: Statistics Canada, Small Business and Special Surveys



**DETAILED BREAKDOWN OF BUSINESSES BY TYPE**  
**NOVA SCOTIA, 1996**

	Number	% of 1996 total	% change since 1989		
			Number	Employment	Payroll
Total Industry Groups	31,959	100.0	2.4	(6.7)	7.5
Agricultural Industries and Services	1,320	4.1	(6.7)	6.3	28.3
Fishing and Trapping	1,433	4.5	3.6	0.0	21.4
Logging and Forestry	661	2.1	11.1	0.0	21.7
Mining, Quarrying and Oil Wells	87	0.3	0.0	(38.3)	(22.3)
Food and Beverage	317	1.0	(4.2)	(23.5)	(6.5)
Tobacco Products	4	—	33.4	—	(33.3)
Rubber and Plastic Products	54	0.2	20.0	8.2	9.0
Leather Products	10	—	(16.7)	—	100.0
Textiles	58	0.2	1.8	(25.0)	(7.5)
Clothing	48	0.2	(33.3)	(50.0)	(5.3)
Wood Products	255	0.8	8.5	4.8	25.0
Furniture and Fixtures	49	0.2	(7.5)	(20.0)	(16.7)
Paper and Allied	247	0.8	3.8	(11.9)	8.8
Printing, Publishing and Allied	11	—	—	(41.7)	(36.6)
Primary Metal Products	168	0.5	(1.2)	(10.5)	(12.5)
Fabricated Metal Products	80	0.3	9.6	(11.1)	(16.7)
Machinery	141	0.4	(13.5)	35.1	64.9
Transportation Equipment	80	0.3	19.4	(43.5)	(15.3)
Electrical and Electronic Products	70	0.2	4.5	—	14.3
Non-Metallic Mineral Products	8	—	14.3	—	55.6
Petroleum and Coal Products	108	0.3	(1.8)	(12.5)	20.0
Chemical and Chemical Products	141	0.4	19.5	(30.0)	20.0
Other Manufacturing	1,066	3.3	(8.9)	(34.8)	(28.3)
Building, Developing and General Contracting	138	0.4	(9.8)	(28.6)	(19.4)
Industrial and Heavy(Engineering) Construction	2,438	7.6	(2.9)	(25.7)	(20.5)
Trade Contracting	117	0.4	21.9	33.3	25.0
Construction Services	1,146	3.6	3.2	(3.7)	13.0
Transportation	14	—	18.2	—	—
Storage and Warehousing	0	—	0.0	—	—
Communication	155	0.5	16.5	(2.2)	2.8
Electric Power, Gas and Water Utilities	89	0.3	18.7	(16.7)	1.9
Wholesale Trade	2,138	6.7	11.9	(11.0)	6.3
Retail Trade	4,737	14.8	(2.7)	(8.4)	7.5
Finance Insurance and Real Estate	1,529	4.8	1.0	(8.8)	18.2
Business Services	2,356	7.4	38.0	15.2	38.4
Government Services (excl. Military)	180	0.6	3.4	(5.1)	(4.7)
Educational Service	339	1.1	49.3	(1.9)	6.8
Health and Social Service	2,293	7.2	20.9	7.3	31.9
Accommodation, Food and Beverage Service	2,092	6.5	15.6	(3.7)	1.2
Amusement and Recreation Services	601	1.9	29.5	40.6	59.0
Personal Service	2,062	6.5	(6.5)	(24.5)	18.9
Membership Organizations	1,647	5.2	16.1	4.0	30.0
Other Service Industries	1,152	3.6	(4.2)	(1.5)	17.2
Unclassified	321	1.0	(74.5)	(85.7)	(86.7)

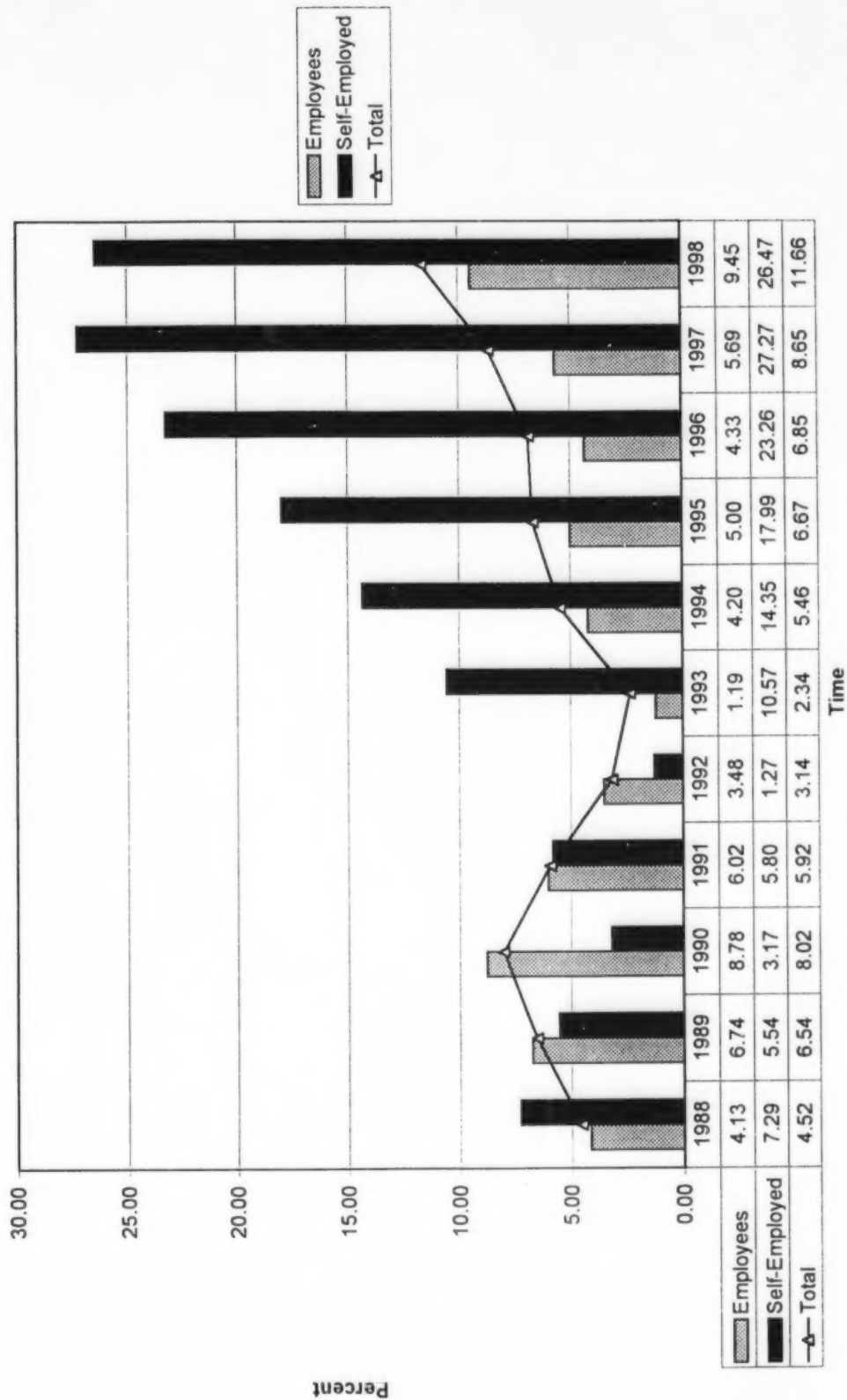
Employer Business, Nova Scotia, Regions by County, 1998

	Primary	Manufacturing	Construction	Transportation, Storage, Communications & Utilities #	Trade	Finance, Insurance & Real Estate	Services	Total
Annapolis Valley Region	867	258	796	406	1,280	564	1,594	5,765
Annapolis County	183	52	129	57	257	92	292	1,062
Hants County	244	97	293	192	369	176	491	1,862
Kings County	440	109	374	157	654	296	811	2,841
Cape Breton Region	935	252	746	316	1,397	516	2,187	6,349
Cape Breton County	307	139	460	186	926	374	1,429	3,821
Inverness County	307	48	144	70	267	82	399	1,317
Richmond County	58	21	65	21	95	27	139	426
Victoria County	263	44	77	39	109	33	220	785
Halifax Region	369	786	2,043	796	3,555	2,784	6,435	16,768
Halifax County	369	786	2,043	796	3,555	2,784	6,435	16,768
North Shore Region	1,348	407	822	552	1,647	774	2,230	7,780
Antigonish County	244	45	100	53	206	107	309	1,064
Colchester County	335	143	277	224	599	263	707	2,548
Cumberland County	309	87	162	111	331	141	462	1,603
Guysborough County	129	28	52	29	82	23	127	470
Pictou County	331	104	231	135	429	240	625	2,095
Southern Region	1,697	757	709	344	1,477	607	1,783	7,374
Digby County	331	151	104	87	269	98	335	1,375
Lunenburg County	310	160	319	130	584	252	706	2,461
Queens County	82	31	65	26	106	52	155	517
Shelburne County	462	220	75	44	213	77	213	1,304
Yarmouth County	512	195	146	57	305	128	374	1,717
Nova Scotia	5,216	2,460	5,116	2,414	9,356	5,245	14,009	44,036

Source: Statistics Canada, Business Register 1999. (The major source of updates for the Business Register is from Revenue Canada Taxation's Payroll Deduction Account file. These employer accounts represent the universe of business entities having paid employees in Canada. Therefore, the Business Register does not all industrial activity in Canada, but is limited to the "employer" portion of the business world. Thus an activity such as a corner store that is owner-operated, with no paid employees, would be excluded from this employer-based file.)



Self-Employment Vs Paid Employment Percent Growth Nova Scotia 1988-1998



## Business Bankruptcies Reported, Nova Scotia, by Type of Industry, 1996-1998

	1996		1997		1998	
	Number	Liabilities	Number	Liabilities	Number	Liabilities
Agriculture & Related Service	12	2,604,902	7	1,373,039	4	1,295,172
Fishing & Trapping	114	5,033,743	69	7,522,511	35	4,697,808
Logging & Forestry	9	953,810	15	864,784	9	823,564
Mining, Quarrying & Oil Well	--	--	1	17,096	--	--
Manufacturing	22	23,366,158	24	2,909,372	16	1,278,792
Construction	82	8,540,736	87	10,462,826	49	6,947,940
Transportation & Storage	48	4,188,502	49	4,312,431	18	3,568,846
Communication & Other Utility	14	550,492	14	1,833,971	13	951,115
Wholesale Trade	15	4,198,595	22	2,075,627	19	4,719,772
Retail Trade	123	17,602,693	158	15,766,271	72	9,594,249
Finance & Insurance	6	1,536,899	4	925,828	6	220,443,904
Real Estate Operations & Insurance Agencies	19	23,530,659	15	11,600,009	6	658,293
Business Service	43	4,084,722	40	5,401,048	18	3,129,082
Government Service	2	264,787	6	2,224,568	6	954,175
Educational Service	1	27,382	2	62,412	1	61,550
Health & Social Service	15	2,410,596	18	1,528,865	5	842,868
Accommodation Food & Beverage Service	68	6,369,806	65	10,196,685	37	5,937,415
Other Service	68	5,110,154	78	7,243,648	29	4,327,544
<b>Total</b>	<b>661</b>	<b>110,374,636</b>	<b>668</b>	<b>86,320,991</b>	<b>343</b>	<b>270,232,089</b>

SOURCE: Industry Canada, Office of the Superintendent of Bankruptcy, "Insolvency Bulletin"